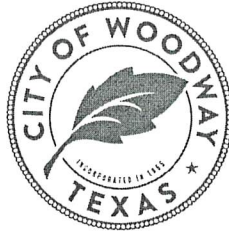


REQUEST FOR PROPOSALS



#22-02

CITY OF WOODWAY ANNUAL FINANCIAL AUDIT SERVICES

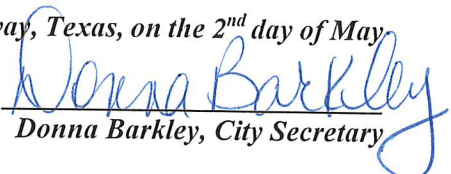
The City of Woodway, Texas, is accepting sealed proposals for the following: Annual Financial Audit Services for a three-year period, with two (2) one-year extension periods, beginning September 30, 2022.

Sealed proposals must be addressed/delivered to the City Secretary, Woodway City Hall, 922 Estates Drive, Woodway, Texas, 76712. Proposals must be received no later than 3:00 p.m. on Thursday, May 19, 2022, at which time they will be publicly opened and read aloud at the same location.

All proposals must be sealed and clearly marked on the envelope and on the proposal as "Sealed Proposal # 22-02 - Annual Financial Audit Services." Specifications may be obtained from the City Secretary's Office, 922 Estates Drive, Woodway, Texas; and questions related to this proposal may be directed to Dr. Shawn Oubre, City Manager, via email at soubre@woodwaytexas.gov, mail to: 922 Estates Drive, Woodway, Texas, 76712, or phone at (254) 772-4480.

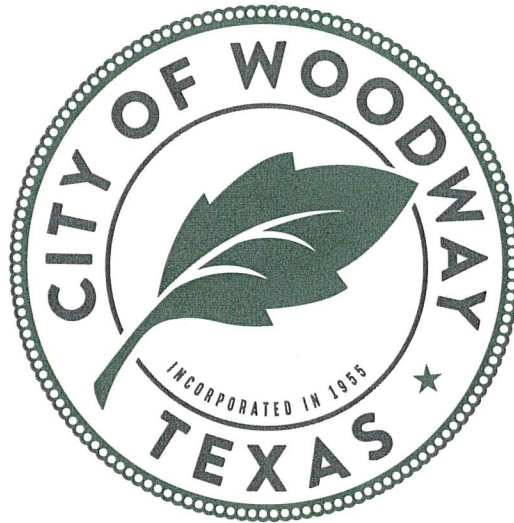
The City of Woodway reserves the right to reject in part or in whole any and all proposals and to waive any informalities in the proposals received.

This notice was posted at Woodway City Hall, 922 Estates Drive, Woodway, Texas, on the 2nd day of May, 2022 at 5:00 p.m.


Donna Barkley, City Secretary

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (254) 772-4481 or FAX (254) 772-0695 for further information.

CITY OF WOODWAY, TEXAS
RFP #22-02



REQUEST FOR PROPOSALS FOR
ANNUAL FINANCIAL AUDIT SERVICES

RFP SUBMITTALS DUE:
May 19, 2022

RFP #22-02
Request for Proposals

- I. **PURPOSE:** To obtain the services of licensed independent public accountants certified by the Texas State Board of Public Accountancy to perform fiscal year auditing services for the City of Woodway.
- II. **PROPOSAL RESPONSE:** Qualified proposals should be submitted in a sealed envelope identified as "Sealed Proposal #22-02 - Annual Financial Audit Services." Proposals may be hand delivered or mailed to the following address and should include three copies of the proposal documents:

Woodway City Hall
Attn: Donna Barkley, City Secretary
922 Estates Drive
Woodway, Texas 76712

- A. Proposals should be prepared for audit services to be provided for a three-year term with two (2) one-year extensions covering:
 - Fiscal Year 2022 - October 2021 through September 2022
 - Fiscal Year 2023 - October 2022 through September 2023
 - Fiscal Year 2024 - October 2023 through September 2024
 - Fiscal Year 2025 - October 2024 through September 2025 1st extension*
 - Fiscal Year 2026 - October 2025 through September 2026 2nd extension*
- B. Per contractual agreement, the selected firm will perform the specified audit for Fiscal Year 2022. Subsequent years will be contracted at the option of the City of Woodway based upon previous performance.
- C. The proposal process will observe the following schedule:
 - Public Notices May 3, 2022 and May 10, 2022
 - Request Distribution May 2, 2022
 - Proposal Opening May 19, 2022
 - Award of Contract June 13, 2022
- D. Proposals must be received no later than 3:00pm, Thursday, May 19, 2022. Proposal opening will be held at 3:00pm, May 19, at:
 - City of Woodway
 - City Hall
 - 922 Estates Drive
 - Woodway, Texas 76712
- E. Proposals received after 3:00pm will be returned unopened and will be considered void and unacceptable.

- F. The City of Woodway reserves the right to reject any and all proposals received. Any award will be made to the firm which, in the opinion of the City Council of the City of Woodway, is best qualified.

- III. **GENERAL INFORMATION:** The City of Woodway (The City) operates under the guidelines of the city charter adopted in 1955. The City, 2020 census population 9,383, has a current combined operating budget of approximately \$18.0 million. The City maintains records using modified accrual accounting. Fund and budgetary accounting records are maintained for the City's "General Fund." The City maintains "Debt Service" funds, "Capital Project" funds, and "General Long Term Debt" and "General Fixed Asset" groups. Also, the City operates and maintains records for a water utility enterprise (servicing approximately 3,825 customers).

The City's financial records are maintained on a computer-based accounting system. The system is operated on a Tyler Technology Software System (Incode 10/ERP Pro). All financial software is pre-packaged, governmental specific application software. The system is composed of a general ledger system including budgetary records, fixed asset accounting, accounts payable, utility billing, and payroll (for approximately 87 full time and part time employees). Taxes receivable are collected and transmitted daily to the City by an independent third party. The majority of the City's investments and operating funds are currently maintained by one depository institution. The City also utilizes two investment pools and has a few certificates of deposit at one other depository institution.

- IV **DESCRIPTION OF WORK:** The audit will be conducted according to generally accepted auditing standards (GAAS) as outlined in the "Statements on Auditing Standards," the standards for financial and compliance audits contained in the United States General Accounting Office (GAO) "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions," the U.S. Office of Management and Budget's (OMB) "Major Compliance Features of Programs Administered by State and Local Governments," the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget's (OMB) Circular A-133.

Federal Single Audit Report

If a federal single audit report is required, the City desires the auditor's assistance in completing such report and filing the report with the Federal Audit Clearinghouse.

The auditor will prepare all auditor's reports required by all applicable standards relating to federal single audits, including an *Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards and Independent Auditors Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of*

Expenditures of Federal Awards Required by the Uniform Guidance. The City expects the auditor to apply procedures necessary to issue these reports.

Certificate of Achievement for Excellence in Financial Reporting Program

The City participates in the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program and expects the Annual Comprehensive Financial Report (ACFR) to conform to GFOA standards. The City expects the auditor will review comments received from the GFOA's review of the previous year's ACFR, will assist the City in incorporating those comments into the current year ACFR, and will prepare a response to each prior year comment to be supplied to the GFOA when the City submits its current year ACFR to the GFOA for review.

Field work will be coordinated annually by the Finance Director and will begin no earlier than the first week of January and shall be completed within 30 days. All proposed audit adjustments will be reviewed with the Finance Director at time of preparation or no later than the completion of field work. Upon completion of field work, the auditor should schedule an exit conference with the City Manager and Finance Director of the City of Woodway. The auditor should submit at that time a temporary and preliminary draft report and management letter to the City Manager for review. A presentation at a later date may also be scheduled with the Audit Committee of the Woodway City Council. The final audit report should be submitted no later than March 31st after the closing of the fiscal year audited. The auditor should supply ten (10) copies of the final audit report and one (1) electronic version.

All working papers and documents must be retained for a minimum of three years and shall be made available at no cost to the City of Woodway upon request. Additionally, the partner in charge of the audit shall be available to attend public meetings as directed by the City at which the audit report will be discussed.

V. AUDITOR QUALIFICATIONS: The qualified proposal should include:

- A. An affirmation that the proposer is licensed for public practice as a certified public accountant.
- B. An affirmation that the proposer meets the independence requirements of the "Standards for Audit of Governmental Organizations, Programs, Activities and Functions" published by the United States General Accounting Office.
- C. A statement as to whether the proposer has received a quality control review and whether in the most recent review an unqualified report was issued.
- D. If applicable, evidence that the proposer has experience in performing government audits.

- VI. REPORTING REQUIREMENTS:** The Annual Financial Report is to be addressed to the Mayor and City Council of the City of Woodway and should include at a minimum:
- A. Auditor's Opinion
 - B. Combined Financial Statements and Accompanying Notes
 - C. Supplemental combining and individual fund and account group statements
 - D. Report on Supplemental Schedule of Federal Financial Assistance (as necessary)
 - E. Report on Compliance Based on Examination of General Purpose Financial Statements
 - F. Report on Compliance Related to Major and Non-major Federal Financial Assistance Programs (as necessary)
 - G. Report on Internal Accounting Controls made as a Part of Examination of the General Purpose Financial Statements
 - H. Report on Internal Controls (Accounting and Administrative) made as a part of Examination of the General Purpose Financial Statements and the Additional Tests Required by the Single Audit Act
 - I. Completed OMB Standard Form SF-SAC, "Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations" (as necessary)
 - J. Report to Management, which includes recommendations concerning internal accounting controls, financial statements, accounting systems, administrative and operating matters, instances of noncompliance with laws and regulations, and any other material matters.

- VII. RESPONSE FORMAT:** In order to expedite the review process and obtain the maximum degree of information for evaluation purposes, proposals should be prepared in the following format:
- A. Title Page - identify the subject, firm name, address, telephone number, contact person, and date of submission.
 - B. Table of Contents - identify the materials submitted by section and page number.
 - C. Letter of Transmittal - briefly identify your firm's understanding of the services to be provided and ability to perform within the required deadlines. An all-inclusive annual fee should be stated for the audit services to be performed including names of authorized representatives of your firm, their titles, addresses, and telephone number;
 - D. Profile of Independent Auditor - note the size and organization of the proposer (whether it is local, regional, national or international), location of the office to perform the audit, noting the size of the staff and activities performed at that location (i.e. audit, tax service, etc.). A positive statement that the **AUDITOR QUALIFICATIONS** described in Section V within this Request for Proposal are satisfied.
 - E. Summary of the Proposer's Qualifications - identify audit managers and field supervisors who will work on the audit including resumes for each listing specifying relevant experience and continuing education.
 - F. Proposer's Approach to the Examination - Submit a work plan to accomplish the scope

defined within this Request for Proposal (refer to Section III, GENERAL INFORMATION; Section IV, DESCRIPTION OF WORK; and Section VI, REPORTING REQUIREMENTS). The work plan should include time estimates for each significant segment of the work and the staff level to be assigned. The audit work plan should completely cover what audit work will be accomplished to allow the auditor to render:

1. An opinion report on the financial statements
2. A report on the study and evaluation of internal control systems
3. As necessary, reporting on the organization's control system to assure compliance with laws and regulations that may have an effect on federal assistance programs.

The audit work plan should demonstrate the proposer's understanding of the audit requirements of a Single Audit as specified in OMB Circular A-133 and the audit tests and procedures to be applied in completing the audit plan.

- G. Compensation - estimate the total hours anticipated, the hourly rate, and the resulting all-inclusive maximum annual fee for the requested work in all sections of the Request for Proposal for each of the three years and each of two additional one-year extension periods;
- H. Additional Information - list any additional information the proposer feels pertinent to the proposal.
- I. Complete Attached Forms if awarded contract
- J. Complete and return Register Interest Form to be contacted if any future notices or addenda concerning the project.

Any questions concerning this Request for Proposal should be directed to Dr. Shawn Oubre, City Manager, via email at soubre@woodwaytexas.gov , mail to: 922 Estates Drive, Woodway, Texas, 76712, or phone at 254.772.4480.

APPENDIX A

CONFLICT OF INTEREST QUESTIONNAIRE AND CERTIFICATE OF INTERESTED PARTIES

CONFLICT OF INTEREST QUESTIONNAIRE:

CONFLICT OF INTEREST QUESTIONNAIRE		FORM CIQ
For vendor doing business with local governmental entity		
<p>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>	OFFICE USE ONLY	
<p>1 Name of vendor who has a business relationship with local governmental entity.</p> 	<p>Date Received</p> 	
<p>2 <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>		
<p>3 Name of local government officer about whom the information is being disclosed.</p> <div style="text-align: center; border-top: 1px solid black; width: 60%; margin: 0 auto;">Name of Officer</div>		
<p>4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p>		
<p>5</p>		

APPENDIX B

For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

- (2) the vendor:

- (A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that
 - (i) a contract between the local governmental entity and vendor has been executed; or
 - (ii) the local governmental entity is considering entering into a contract with the vendor;
- (B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:
 - (i) a contract between the local governmental entity and vendor has been executed; or
 - (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
- (3) has a family relationship with a local government officer of that local governmental entity. (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:
 - (2) the date that the vendor:
 - (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or
 - (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or
 - (3) the date the vendor becomes aware:
 - (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or (C) of a family relationship with a local government officer.

CERTIFICATE OF INTEREST PARTIES:

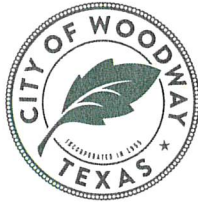
In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code and, as it applies to contracts entered on or after January 1, 2016. The law states that a governmental entity may not enter certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity at the time the business entity submits the signed contract to the governmental entity. The law applies to all contracts/purchases of a governmental entity that require an action or vote by the governing body of the entity.

Interested party means: (1) a person who has a controlling interest in the business with whom a governmental entity or state agency contracts; or (2) a person who actively participates in facilitating a contract or negotiating the terms of a contract with the governmental entity or state agency, including a broker, adviser, attorney, or intermediary for the business entity.

Controlling interest means (1) ownership interest or participating interest in a business entity by virtue of units, percentage, shares, stock, or otherwise that exceeds 10 percent; (2) membership on the board of directors or other governing body of a business entity of which the board or other governing body is composed of not more than 10 members; or (3) service as an officer of a business entity that has four or fewer officers, or service as one of the four officers most highly compensated by a business entity that has more than four officers.

You must fill out this form electronically, Form 1295, on the Texas Ethics Commission website (www.ethics.state.tx.us/File), whether you have an interested party claim or not. Then print, sign, and file with your proposal. There are exemptions to electronic filing. Please read the information provided on the Texas Ethics Commission website.

APPENDIX C



City of Woodway, Texas
Request for Proposals
No. 22-02
For Auditor
Services

REGISTER INTEREST

You have received a copy of the above-described Request document. If you would like to register your interest in this project so that you will receive any further notices or addenda concerning the project, please fill in the information requested below, scan, and then email this document to: dbarkley@woodwaytexas.gov.

Company/Firm: _____

Name of Contact Person(s): _____

Email(s): _____

Telephone: _____ Fax: _____

Mailing Address: _____

It is your responsibility to complete and return this form to the City. Failure to do so will result in your not receiving notices and addenda related to this project from the City of Woodway. Notices and addenda are posted on the City's website and can be accessed at: woodwaytexas.gov/budget-finance

City of Woodway
922 Estates Drive
Woodway, Texas 76712
Telephone 254.772.4480
Fax 254.772.0695
woodwaytexas.gov